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Trends in the Maine Labor Market : Historical Trends and Projections to the Year 2010

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Trends in the Maine Labor Market

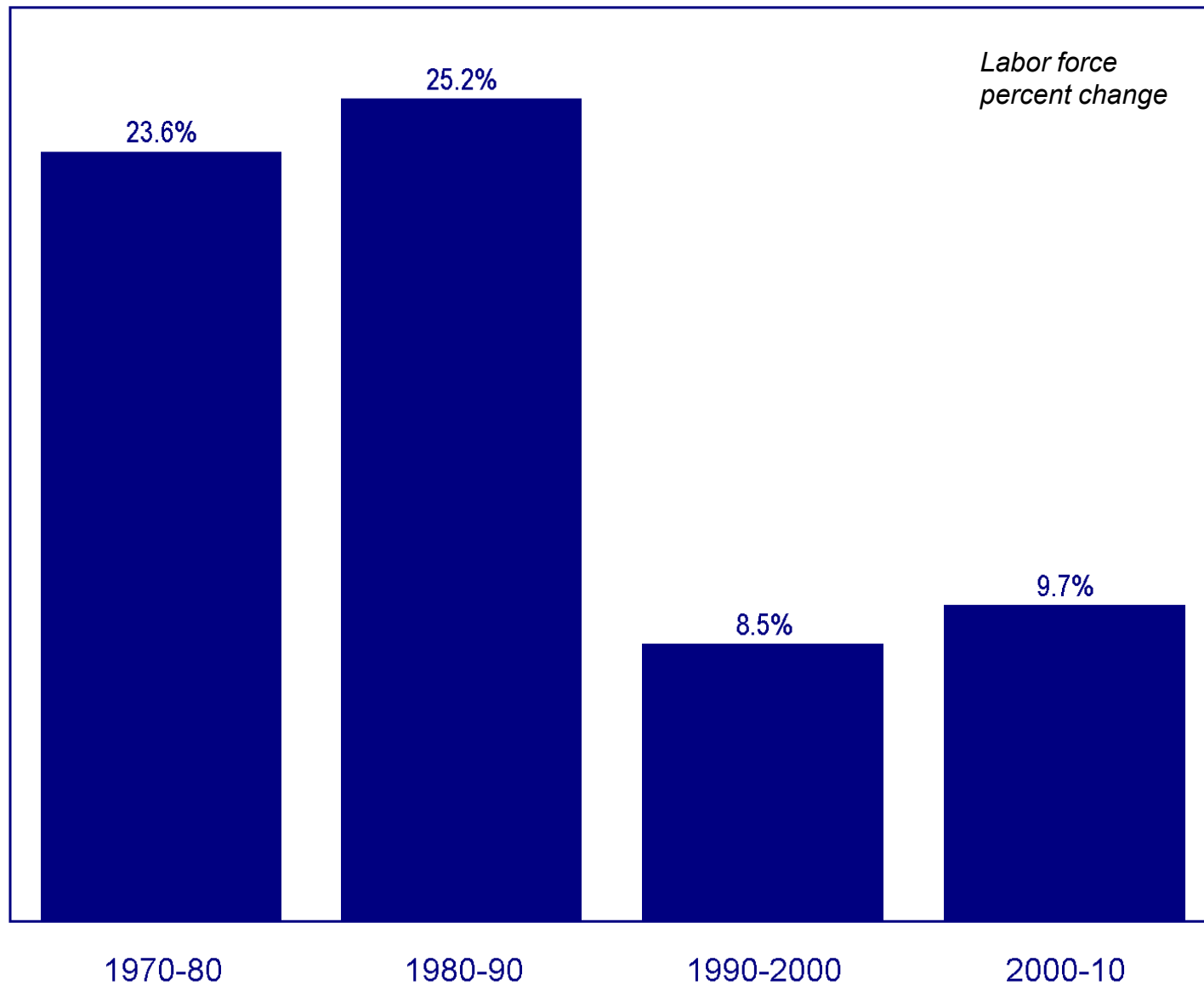
Historical trends and projections to the year 2010



Maine Department of Labor

Division of Labor Market Information Services

Labor force growth is expected to pick up slightly between 2000 and 2010

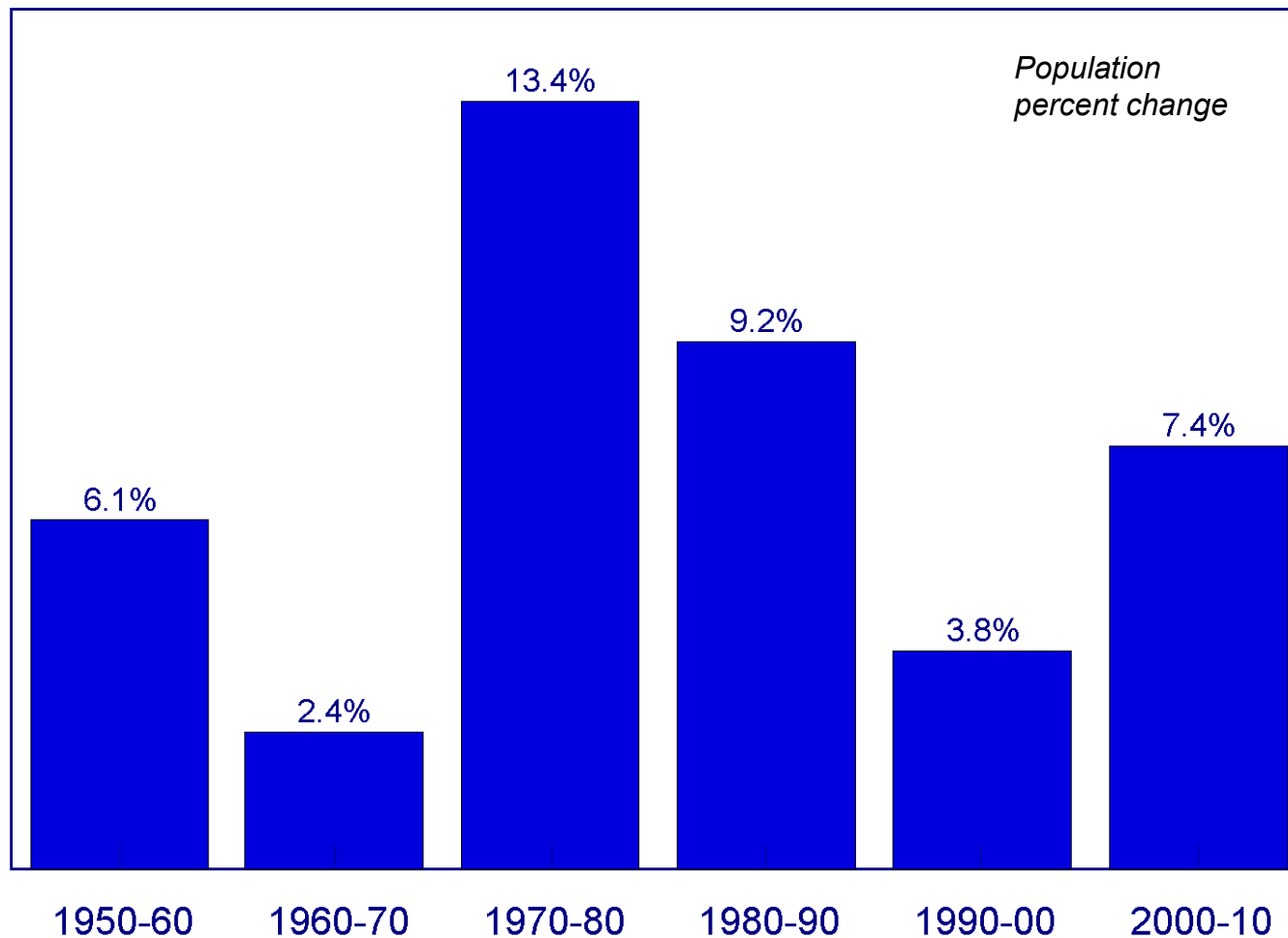


why?

Two major demographic trends in the population will impact growth

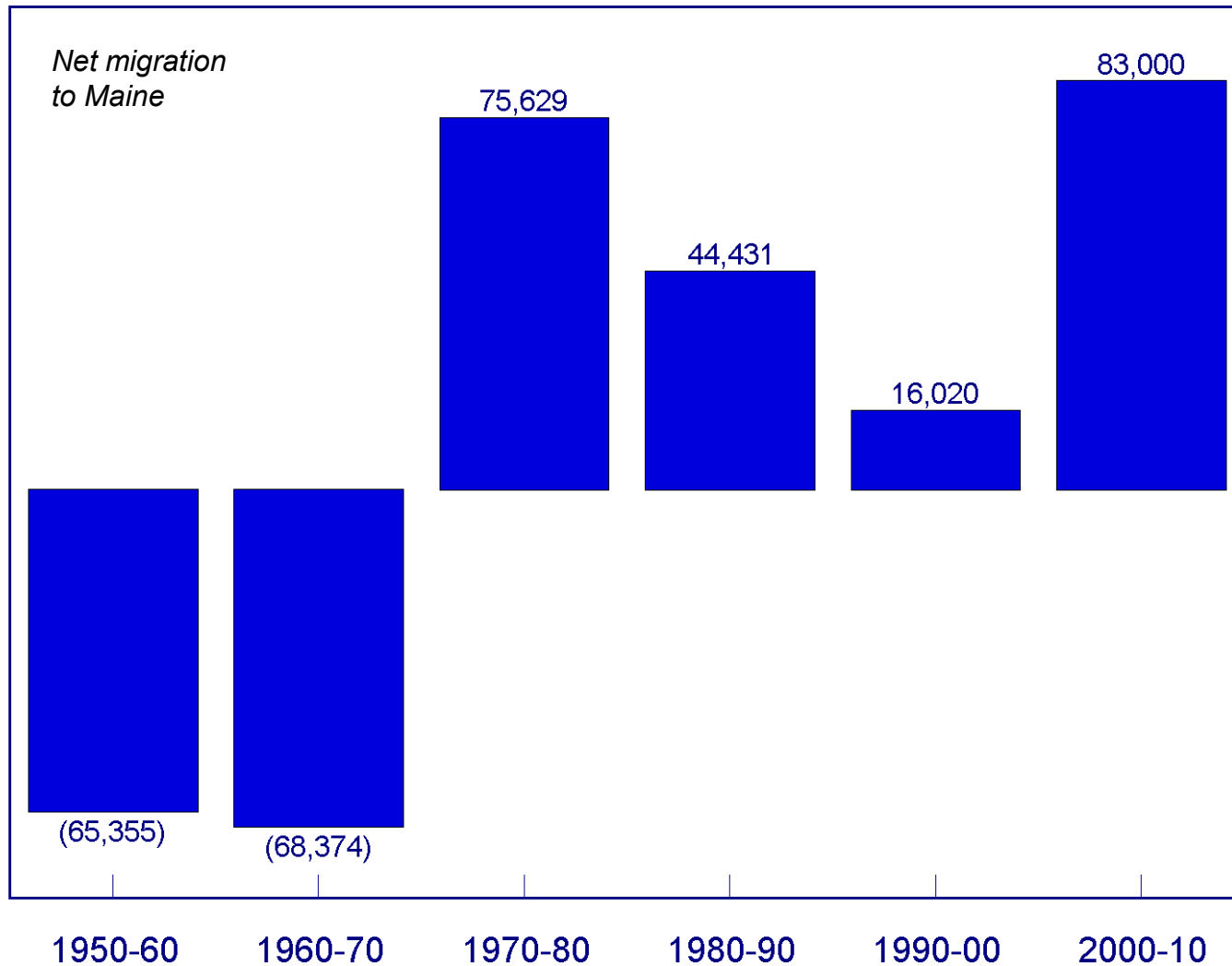
Demographic Trends

Population growth between 2000 and 2010 is expected to exceed the 1990s increase



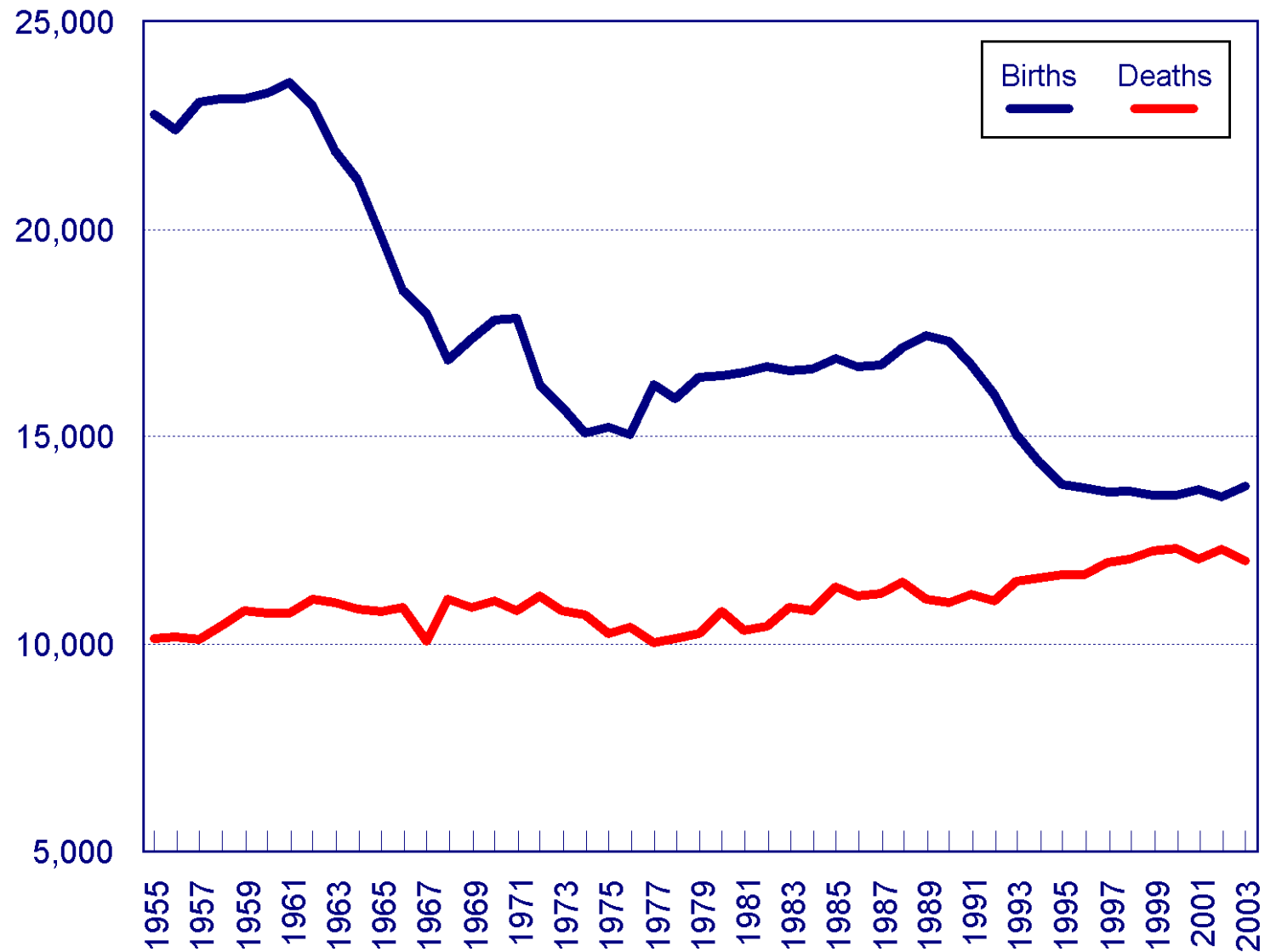
Maine State Planning Office forecast.

Due to an upsurge in net in-migration

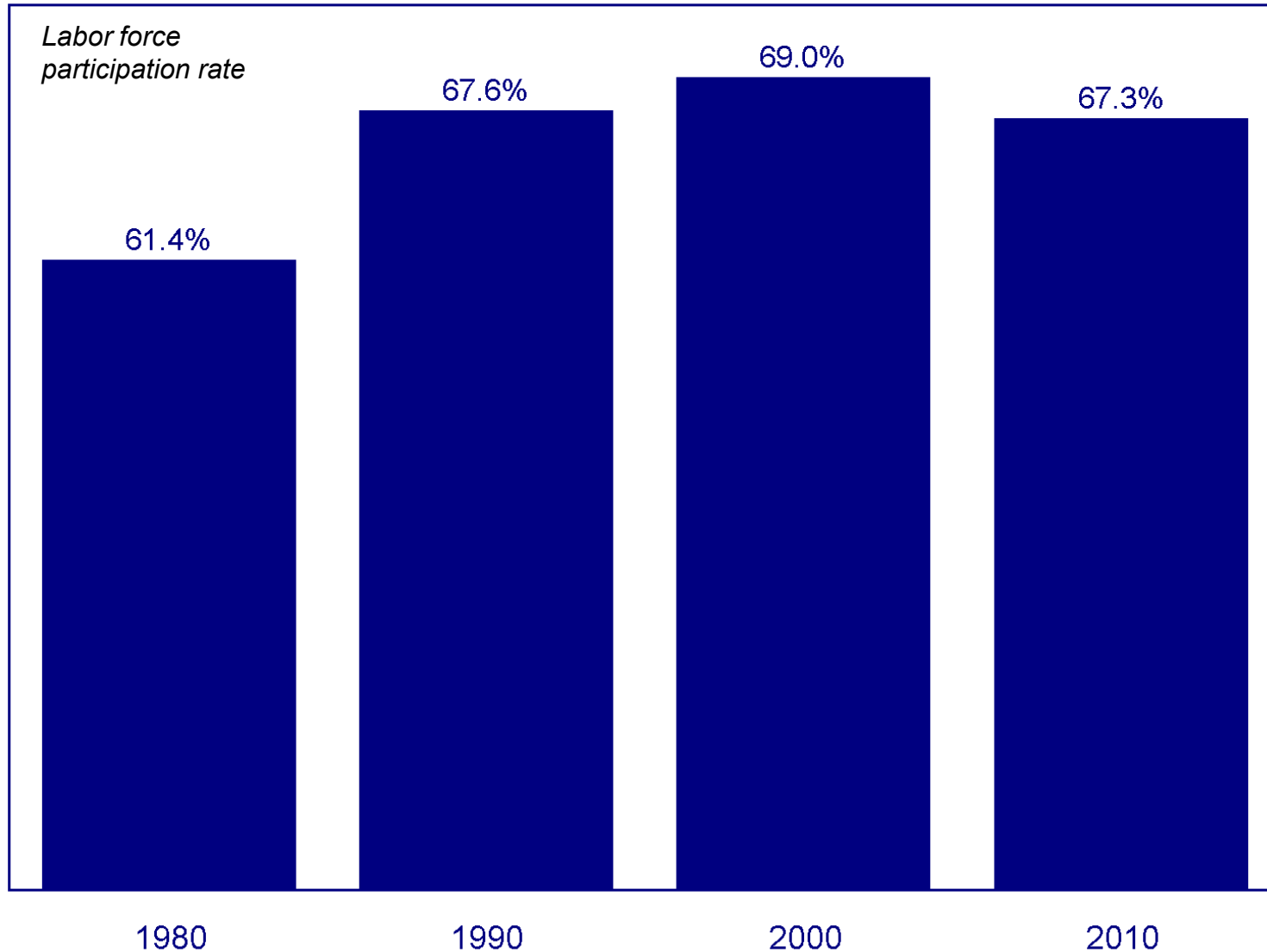


Maine State Planning Office forecast.

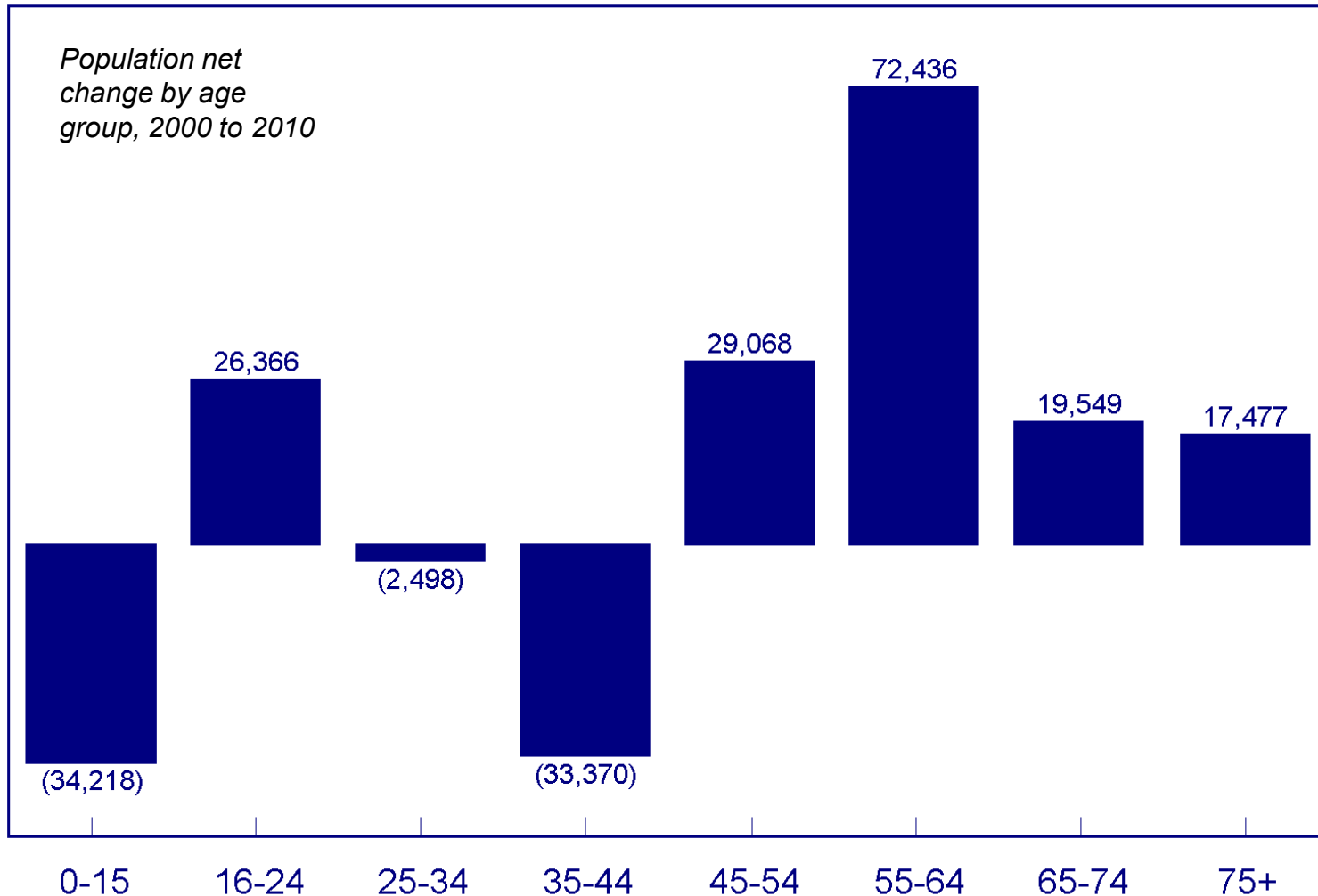
As births decline and no longer exceed deaths by a wide margin



The labor force participation rate is expected to decline slightly between 2000 and 2010

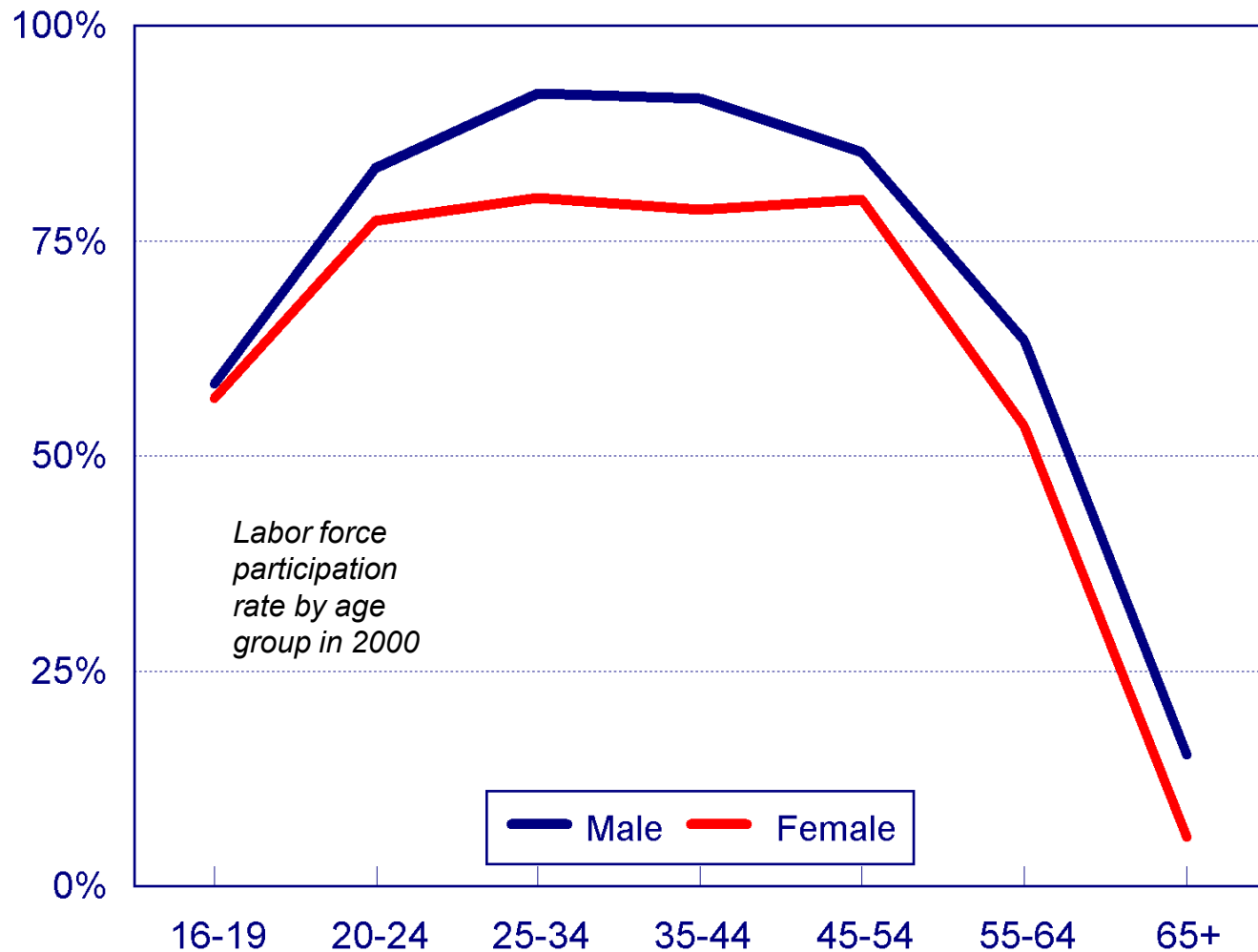


As the population continues to age



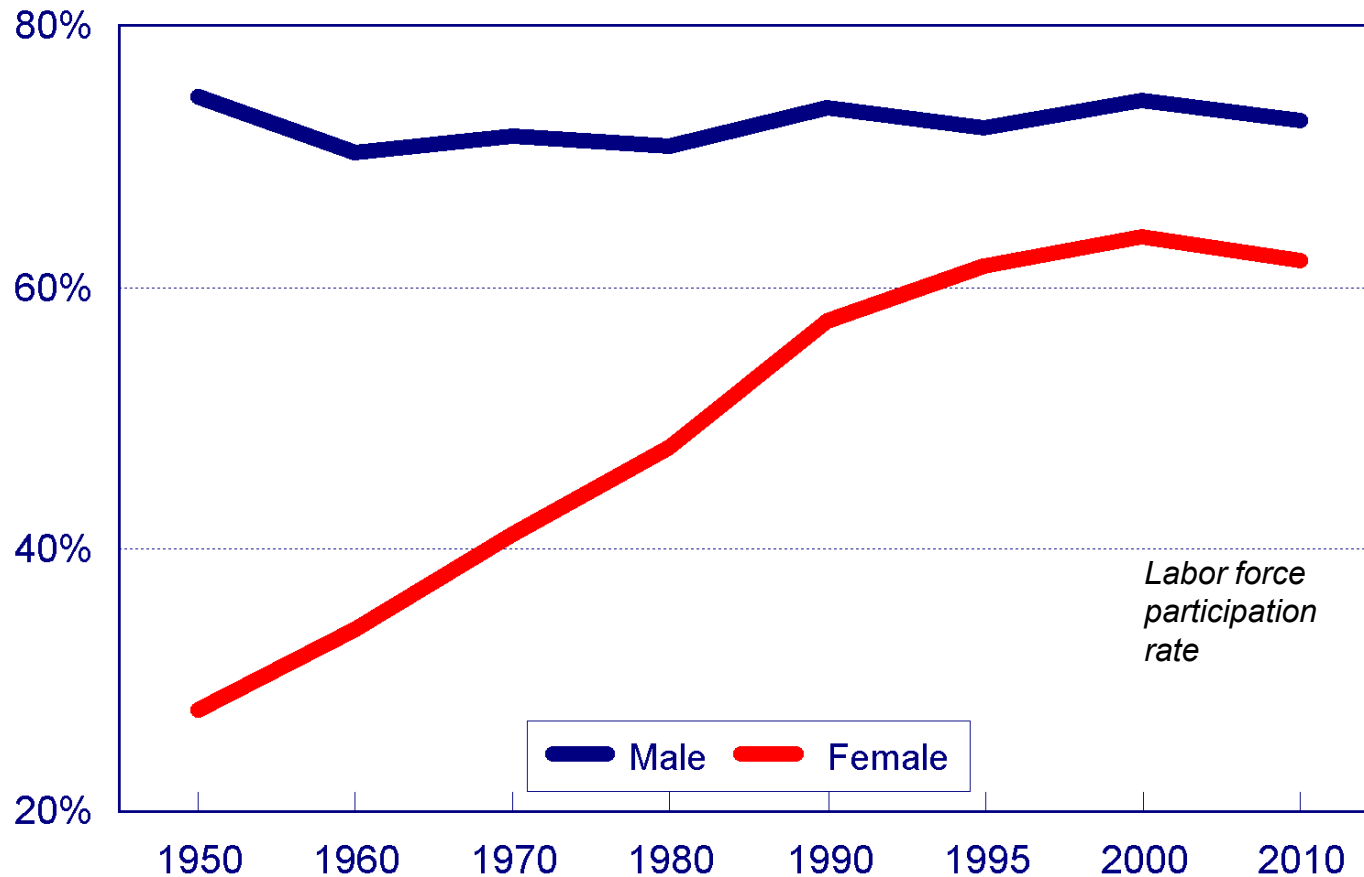
- *The fastest population growth will be among those 46 to 64 years of age as the large baby boom generation ages.*

And labor force participation begins to decline around age 50



- With the baby boom generation reaching middle-age, declining labor force participation beyond age 50 will have a tempering effect on labor force growth.

The rapid growth in female labor force participation is over



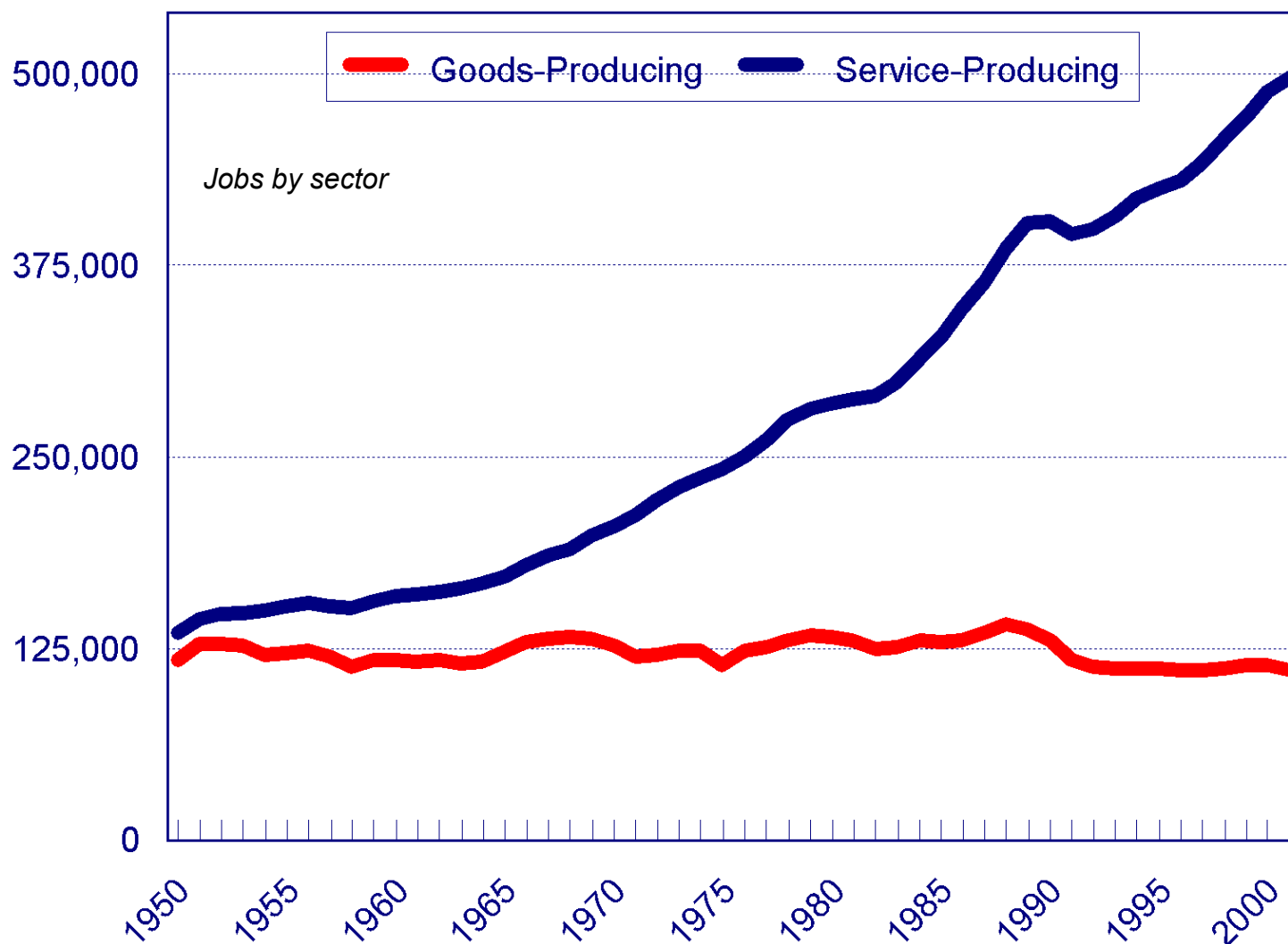
- *Demographic trends such as the shifting family structure, lower birth rates, and higher levels of educational attainment combined with financial necessity drove many women into the labor force in the last five decades.*
- *The rate of growth in labor force participation among women is slowing.*

Demographic trends impact demand for products and services, impacting rates of job growth (or decline) in a wide range of industries and occupations

- *A growing middle-age and elderly population will keep demand for health and retirement services rising.*
- *Demand for financial services will continue to rise as baby boomers increasingly focus on retirement planning.*
- *Growth in housing construction and the manufacture of furniture and other household items will be tempered by the declining number of young adults (fewer new household formations).*
- *Businesses will continue to pursue productivity gains through automation and more efficient work practices as a response to the decline in the number of young adults available to fill entry level jobs.*
- *Geographic boundaries will continue to fall as consumers increasingly use the Internet and other outlets to locate and purchase products and services.*
- *Continuing high rates of female labor force participation among women will keep demand for child day care high.*

*Industry
Employment
Trends*

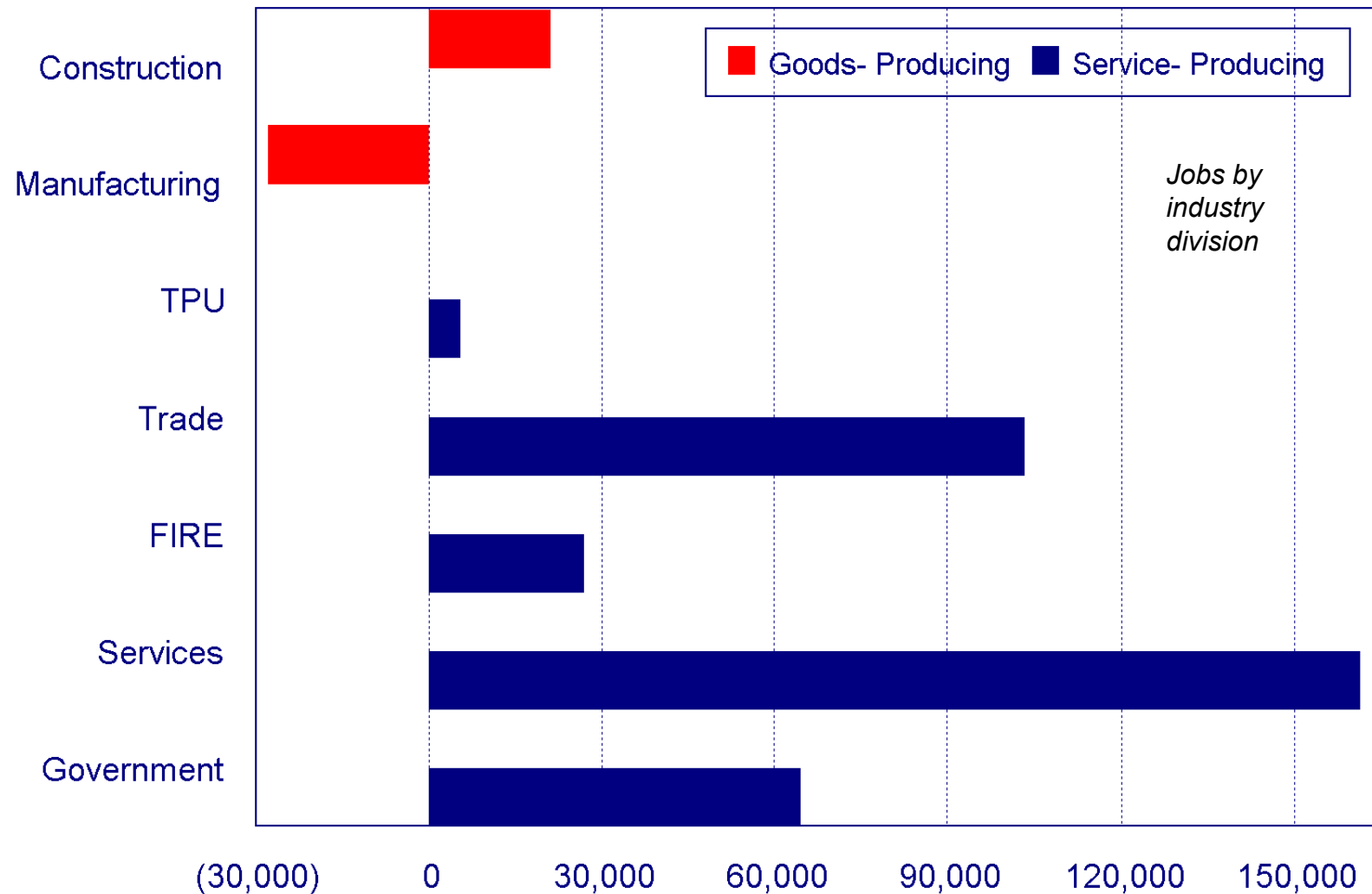
Since 1950 the service-producing sector has created most new jobs...



- Between 1950 and 2001, the service-producing sector created 362,300 jobs compared to a loss of 6,800 jobs in the goods-producing sector.

...Mainly in retail trade, services, and government...

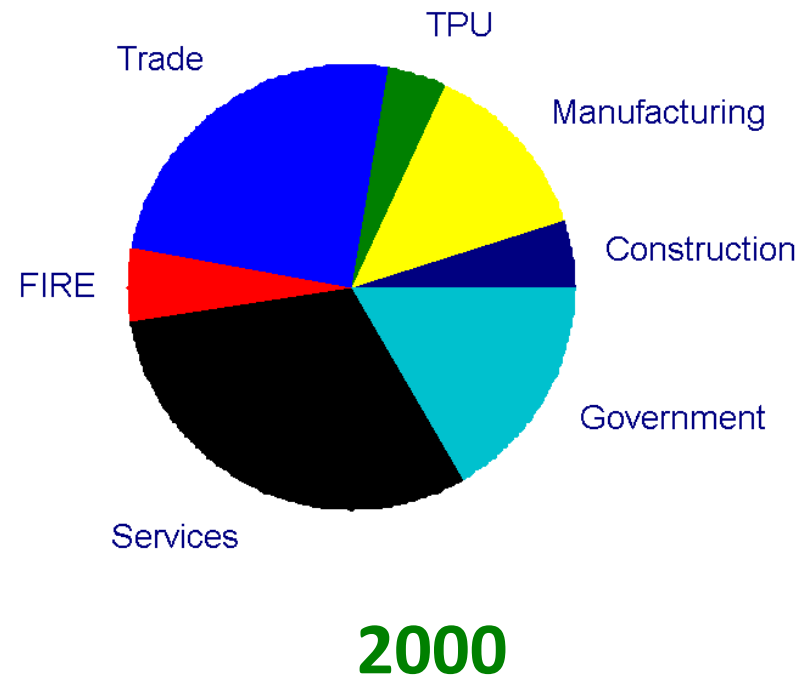
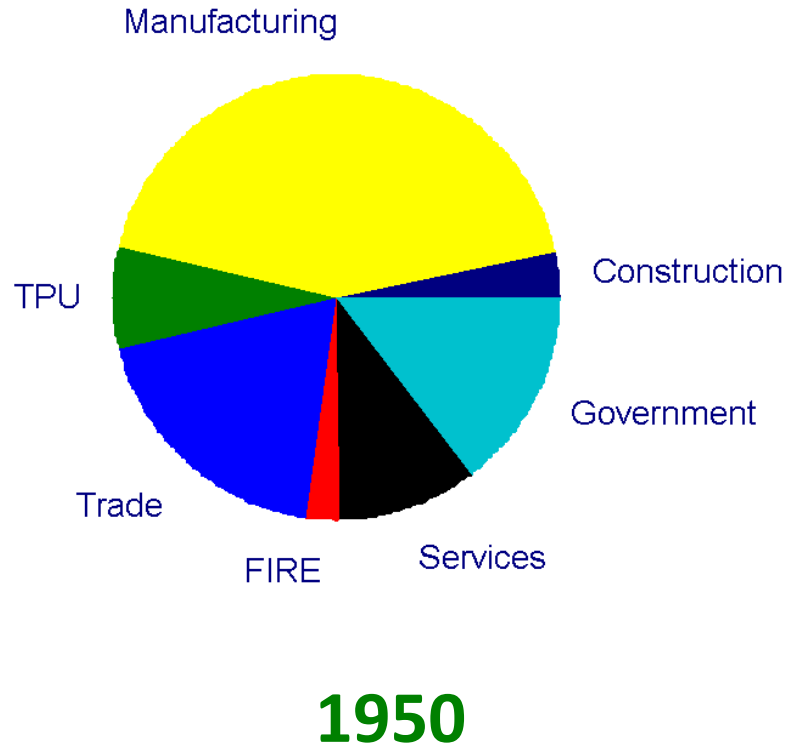
(1950 to 2000)



TPU: Transportation, Communication, & Public Utilities.

FIRE: Finance, Insurance, & Real Estate.

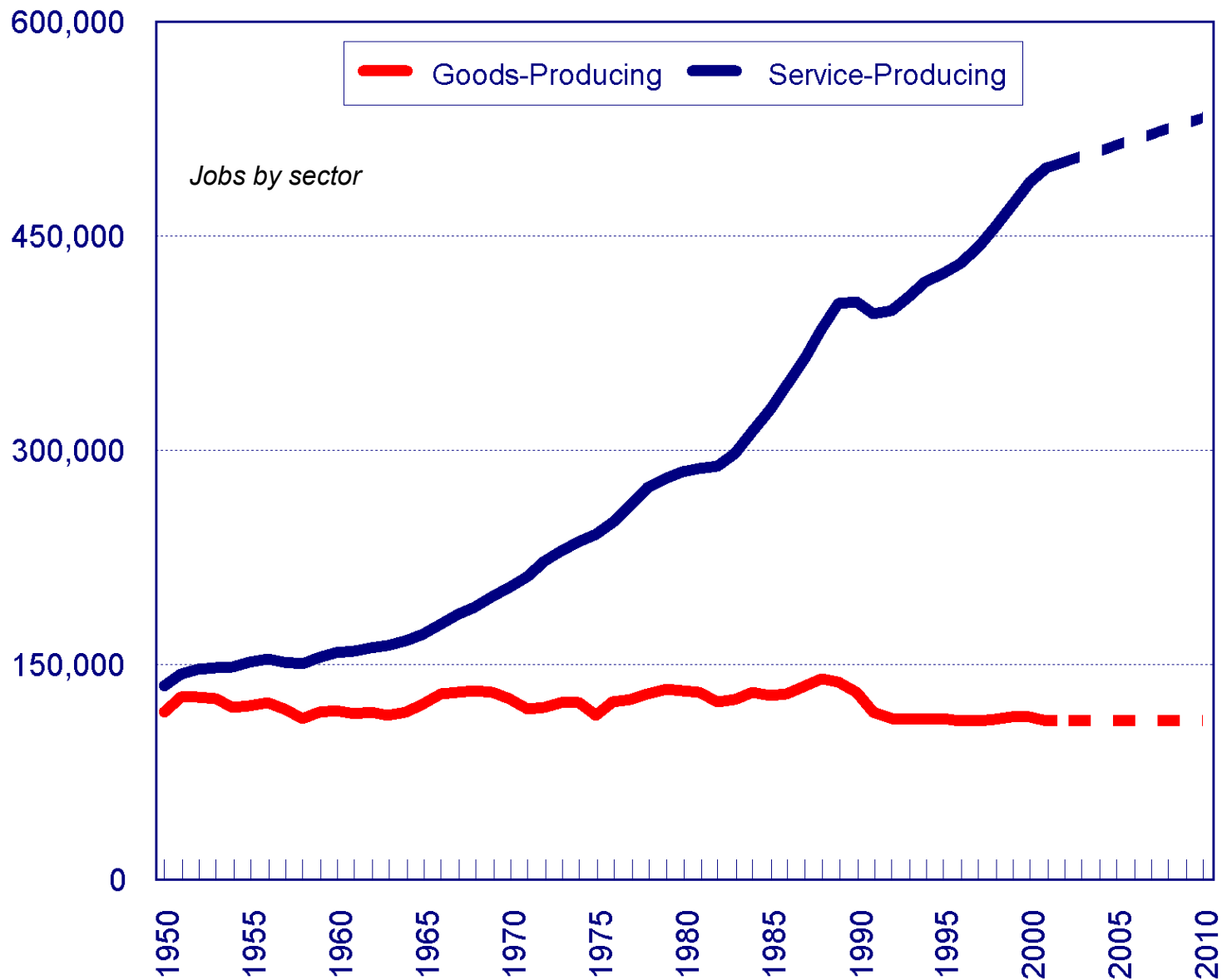
...Resulting in a declining share of jobs in goods-producing industries...



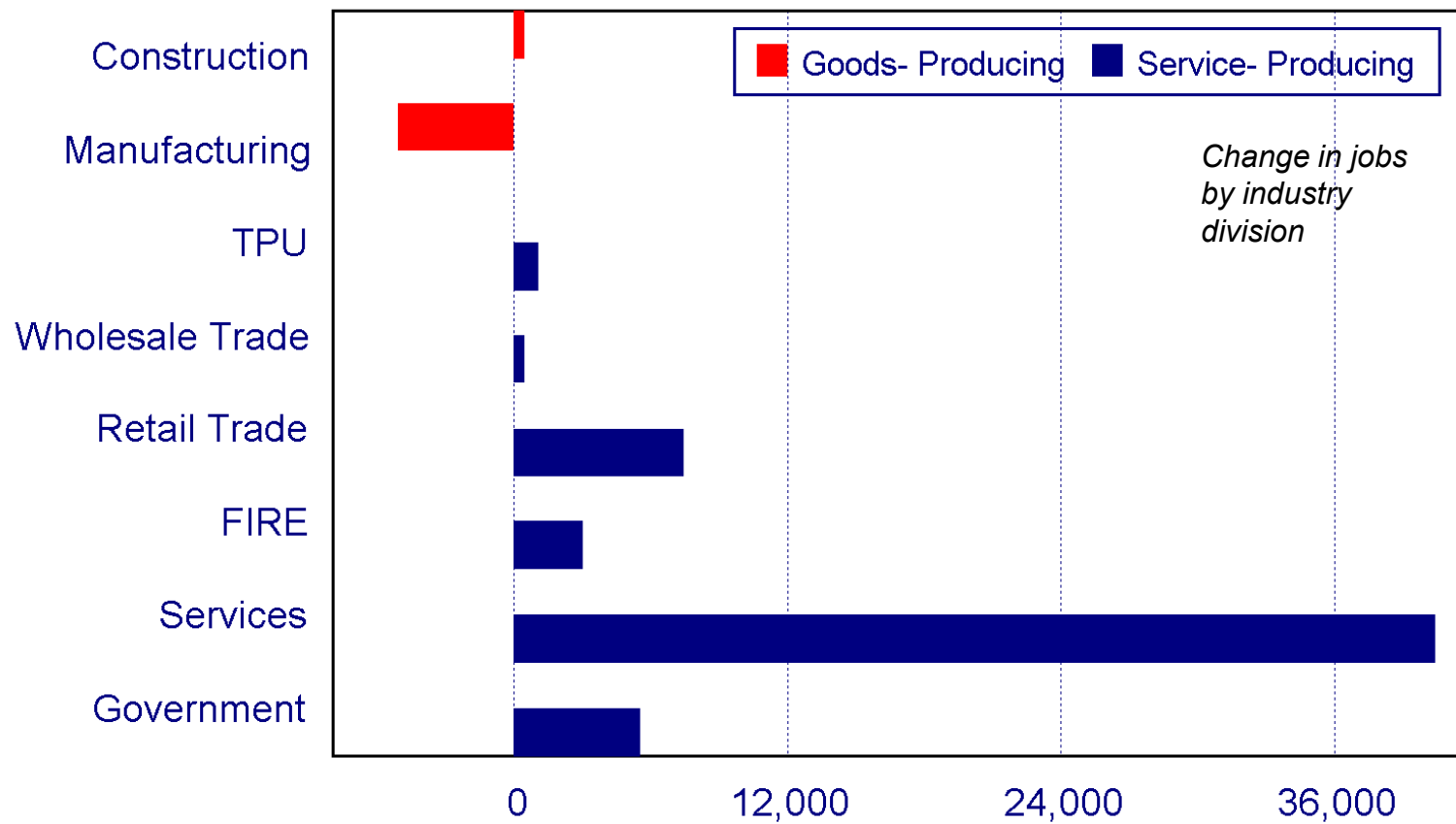
*TPU: Transportation, Communication, & Public Utilities.
FIRE: Finance, Insurance, & Real Estate.*

- *The relative decline of goods-producing employment is due to a number of factors, including higher levels of manufacturing productivity, shifting consumer buying patterns, the long-term decline of several industries, and stiffer international competition.*

...The trend through 2010 is expected to be similar...



...With retail trade and services continuing to create most new jobs (2000 to 2010)



TPU: Transportation, Communication, & Public Utilities.

FIRE: Finance, Insurance, & Real Estate.

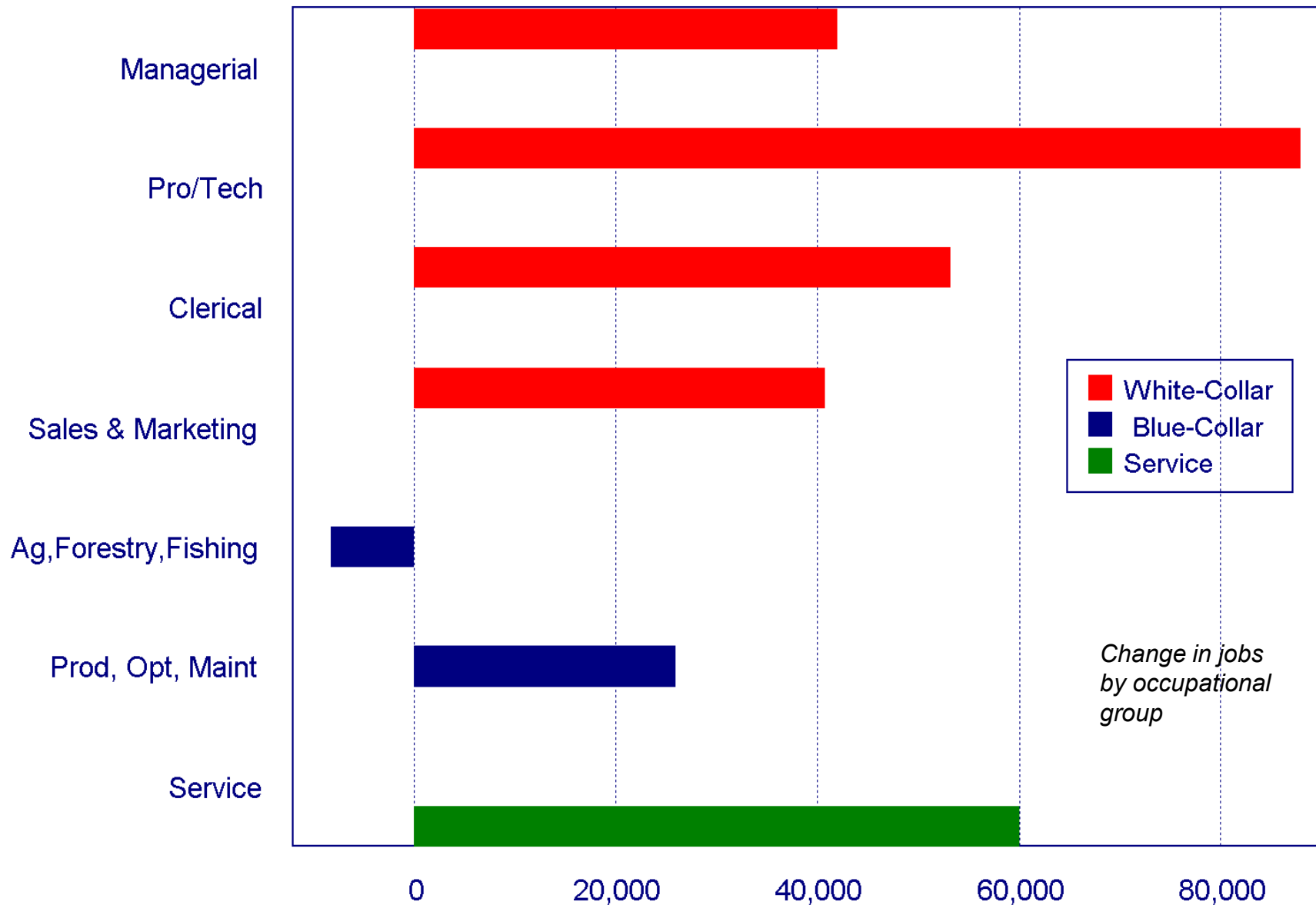
- Services and retail trade will remain relatively labor intensive.
- Manufacturing employment will decline but productivity will continue to improve.

**Industry employment
trends and technological
change influence what
occupations or skills
are in demand**

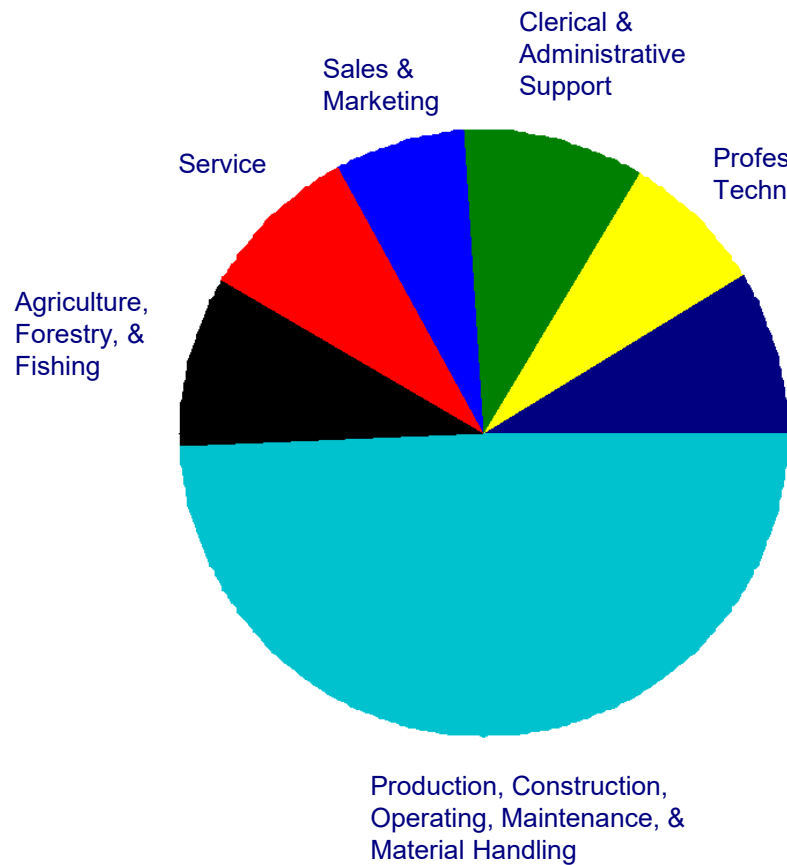
Occupational Employment Trends

Since 1950 most job growth has been in white-collar and service occupations...

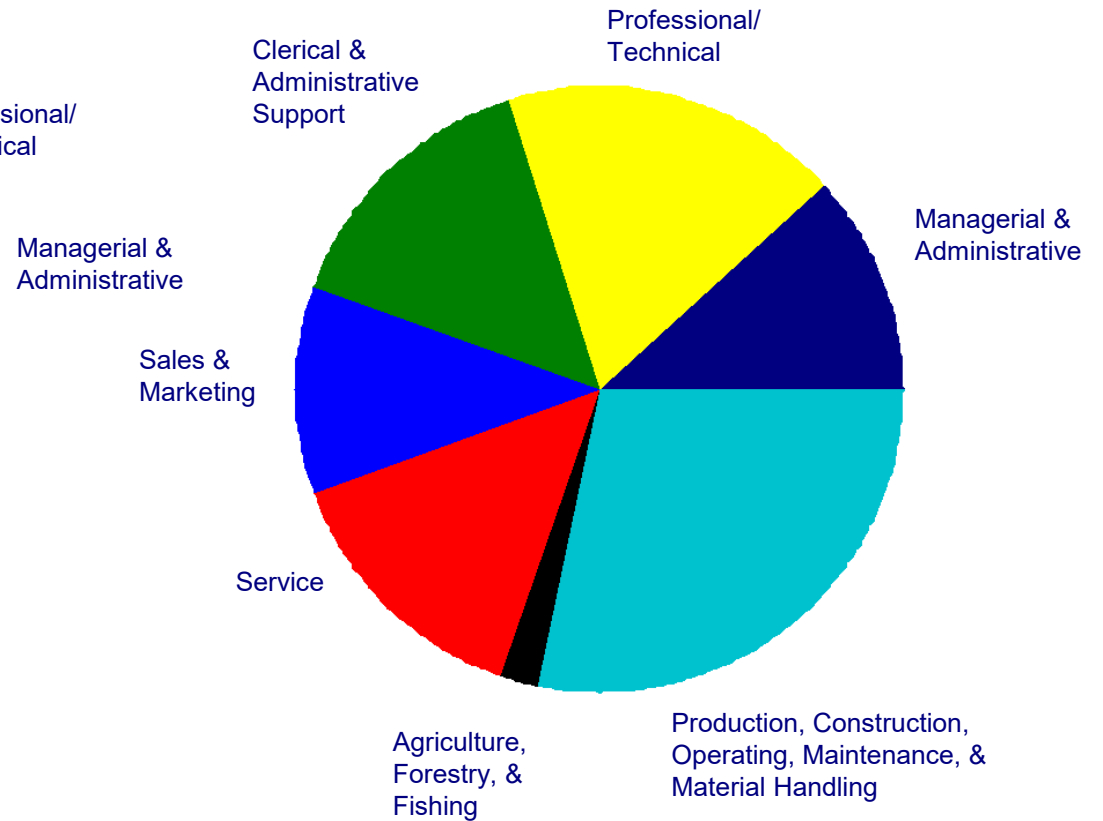
(1950 to 2000)



...Causing the share of blue-collar jobs to decline by one-third...



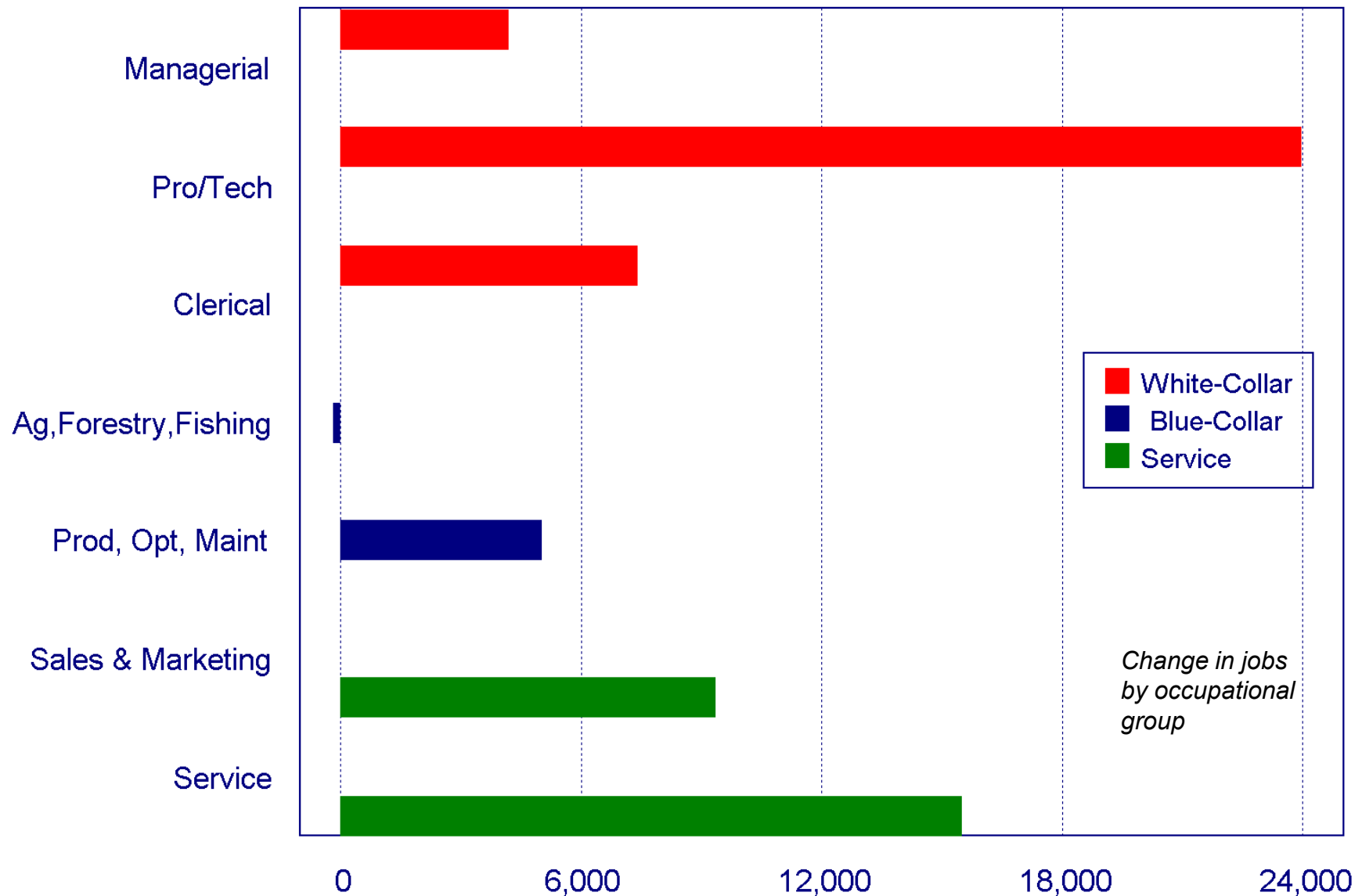
1950



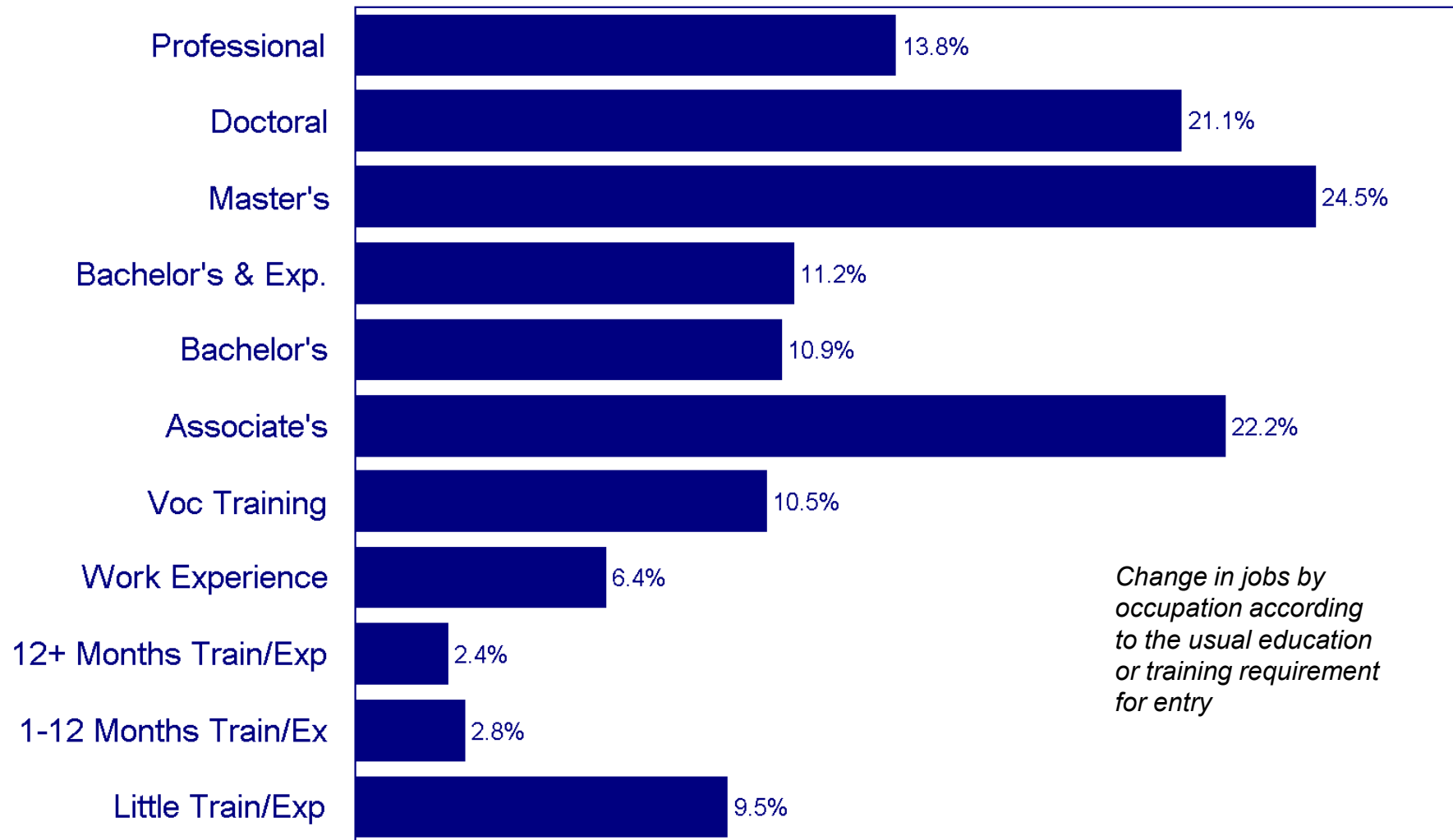
2000

...The shift toward white-collar and service jobs is expected to continue...

(1998 to 2008)



...With the fastest job growth expected in occupations with high education requirements (2000 to 2010)



- *Faster-than-average growth in the number of jobs at the upper end of the education/ training spectrum is related to growth in managerial, professional, and technical jobs.*